Temporary Increase in Medicaid Income

When excess resources are not an issue, but receipt of additional income results in the monthly income total being over the income limit for LTC, the case will remain open if, for whatever reason, there is not time to allow advance notice of closure. However, if there are 10 calendar days left in the month, Medicaid Income must still be increased to the amount of that month's income or the Medicaid reimbursement rate for the facility, whichever is less. The client or representative must be advised to contact the facility to obtain the lesser of the two amounts.

For the following month, eligibility will continue. The additional income will be removed from the Medicaid Income calculation and Medicaid Income will return to the amount in effect prior to the temporary income increase.

Example: A client receives a lump sum VA payment of $2500 in December which is reported to the regional office on December 21. The office became aware of the income too late to close the case; however, action is taken on December 21 to include the $2500 as income for December for Medicaid Income purposes. On December 21, notice is issued to allow advance notice of the increase in Medicaid Income effective December 1. The lump sum did not cause resources to exceed the limit; therefore, eligibility continues. The income is removed from the Medicaid Income calculation and Medicaid income returns to the prior amount effective January.

101.15.02 CHANGE TO A REDUCED SERVICE COVERAGE GROUP

Changing from a full service coverage group to a reduced coverage group requires advance notice before the change can be effective the following month. It is not possible to change an active full service case to a reduced service coverage group such as QMB, SLMB, or QI in MEDS for the following month unless there are at least 12 days remaining in the current month.